



Owners' Frequently Asked Questions

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Owners' Frequently Asked Questions and Answers

1. What types of properties do you manage?

We have different managers in different divisions who currently manage:

- **Commercial Properties** (strip centers, retail, office, mix-use, industrial)
- **Apartment Complexes** (all sizes; with and without on-site managers)
- **Mobile Home Parks** (Manufactured Housing Communities, Mobile Home Parks, Trailer Parks)
- **Owner Associations** (commercial owner associations, homeowner associations, condo associations)
- **Residential Income** (single family homes, duplexes, fourplexes, condos)
- **Hospitality Properties** (Hotels and service related properties).

We have strategically positioned Titan to serve investors who are looking for a company that has experience to handle the different types of properties. Usually, the big brokerages like CB Richard Ellis, Collier's International, Grubb & Ellis do not want to manage any other types of buildings except Class "A" properties that are 35,000 square feet and larger, and where there is very minimal management involved. This leaves a large number of investors who have nice, smaller properties underserved. Most of the time, investors with the smaller buildings have to resort to hiring property management companies who specialize in residential properties but does not have the necessary tools to manage the larger properties. What makes Titan Property Management unique is that we can provide property management to investors with small properties as well as class "A" properties that are even easier to manage. In addition, Titan owns and operates similar types of properties that we manage so property owners can rest assured that we are property managers with knowledge and experience. Essentially, managers at TPM not only "talk-the-talk", but we also "walk-the-walk" of what it takes to professionally service the types of properties we accept to manage.

At TPM, our only business is providing excellent property management services to relieve owners of the day-to-day details so you can relax and tend to more important business. TPM's dedication to only property management allows us to focus on taking care of your property and not be distracted by the sales market. With our experienced management team, we can provide professional services at very competitive prices so you don't need to shop around.

2. What services do you provide?

Depending on the type of property and Management Program you choose our services include but are not limited to:

- Preventive Maintenance Inspection Schedules
- 24-Hour Maintenance and Emergency Services
- Comprehensive Monthly Financial Reports
- Budget Pro-forma and Analysis
- Rental Market Analysis
- Advertising and Marketing

- Rent Collections
- Thorough Tenant Credit and Reference Checks
- Coordination of Eviction and Legal Services
- Preparation of Vacancies
- Vacancy Showings
- Bill Payment

3. How do you handle maintenance calls?

Tenants may call, write, or e-mail us with their repair requests. Our maintenance department will furnish a work order and make a note of the problem in our property file so we can have a maintenance history of your property. We also have a record of the dollar limits for repairs set by mutual agreement and will contact you if the amount is over the pre-set amount. We may be able to assist some tenants by walking them through a procedure over the phone or we can send one of our vendors out to assess the problem and give us a repair estimates. If the cost is over the pre-set amount we will call you for approval. Unless it is an emergency we try our best to give you notice *prior* to any work being performed. Please be sure that your property has our distinctive "*Professionally Managed By: Titan Property Management*" sign with our toll-free number and website so that tenants can contact us with any maintenance issues. The sign is also a great way for anyone to contact us to report any suspicious activities or emergency issues. This is a complimentary service so if your property does not currently have one, please ask your manager to install one at your property.

4. How is your 24-hour Maintenance Service for tenants set up?

We have a dedicated maintenance 24-Hour Hotline to handle emergency calls from tenants late at night, during weekends, and holidays. The tenant can call the local office or our toll free number to page one of our on-call staff. We will speak with the tenant to determine the situation and determine the appropriate course of action. Many times we may be able to handle the situation over the phone or we will send one of our maintenance people out to resolve the issue.

5. Can TPM help me if my property is currently occupied by a tenant?

Yes. Titan can continue to service the existing lease until the end of the term or sign the current tenant onto our lease. In cases where the tenant is behind in rent payment or not satisfying the terms of the lease, Titan can take the necessary steps to get them to bring their rents current and satisfy the terms of the lease or start the eviction if payment cannot be collected. Interestingly enough, hiring TPM as an independent property management firm on board will suddenly get tenants who are behind, to pay up in a timely manner or move because they know that a professional management company will follow through on all collection issues.

6. Why would a property owner hire an offsite, independent Property Management Company if there is already an on-site manager?

Investors may be great at acquiring investment properties but may not have the time, expertise or resource to manage their investments properly, or may be out of town investors.

Often times, this may lead to reduce cash flow due to an oversight or mismanagement of the current on-site management staff.

Investors who are unavailable to train their on-site managers, audit their books, or develop a management plan, TPM offers those services for their convenience. Many investors hire TPM to:

Listen and identify investors' goals and objectives. Each investor is unique and we want to find out what goals and expectations you have for the investment property.

Research and Analyze. We will work with your existing on-site managers and off-site personnel to understand and analyze the current physical condition of the property, financial reports, market position in comparison to the competition and operational infrastructure of the property so we can make our professional recommendations.

Monitor, implement, and manage. From our analysis we will work closely with the investor to develop and implement a strategic management plan that is tailored to meet the objectives that are unique to each property. We will closely monitor the progress and report back to the investors.

TPMs management approach is ***not*** to be intrusive but take the time to understand the current management systems in place ***before*** making any recommendations to improve the current system. Sometimes, the existing manager is doing a great job and only needs minor guidance and support from TPM to increase efficiency. Or our research may reveal many discrepancies that may lead us to recommend retraining the current on-site management staff or even replacement of current on-site management. With TPMs management team on board, investors will experience an increase in productivity from their on-site managers which leads to an increase in cash flow. Our goal is to increase efficiency through accountability.

7. How are Rental Rates Determined?

We continuously monitor the market and conduct objective Rental Surveys for current rental rates. There is a risk to overprice your property so that it sits vacant for a long time. Over pricing of properties by agents is sometimes done in order to get a listing. We understand that every owner wants to get top dollars for their properties and inexperienced property managers may tell owners what they want to hear, but often leads to an unhappy owner due to an extended vacancy. According to our experience, rental rates are determined by market demands, not by property managers or owners. Utilizing our updated rental survey and research, we will recommend a fair market value for your property in order to attract qualified tenants who will take good care of your property. If you think your property is unique or better than the competing vacancies, you can price it for higher than what the average property is renting for to test the market and see what the response is like. If the market agrees with your pricing and your property is rented quickly—great! If your property gets very little interest or does not rent out within a week, we recommend you lower the rent because a vacant property is an expensive liability.

We recommend that you price your property competitively to rent it out quickly not to make our jobs easier, like many people think, but it may actually save you money. For example: If market rent is \$1,000 and you are asking for \$1100 (just \$100 extra) can cause your property to sit vacant for an extra month or even longer. This means that you will lose \$1,000 of rent for every month that it sits vacant just to try and get an extra \$100/month of rent—the math is

not in your favor. If you get a tenant a month later to rent for \$1,100 like you wanted, it would take 10 months of renting it out at \$1100 to make up the \$1,000 you lost for the 1 month it was vacant.

8. What are your procedures and recommendations to prepare a property for prospective tenants?

After price, an important factor that tenants look at is the condition of the property. First impression is extremely important so be sure that your property is in **“Spic and Span”** condition. Walls should appear clean and freshly painted, carpets should be clean, free of odor, tears, or loose areas. All appliances should be clean and in good working condition. Extra attention needs to be paid to bathrooms and kitchen areas. Blinds to be cleaned or replaced with new ones. Front and back yards should be landscaped and well maintained. Titan Property Management is a full service company and will provide supervision and inspections to ensure that you are getting the most out of your renovation budget and your property is rent ready at the highest possible rent. During the time when your property is vacant for showing to prospective tenants please make sure you have regular house cleaning at least every two weeks to ensure that the bathrooms are clean and the property is free of dust and debris.

9. How much funds do you require in reserve and what is it used for?

Depending on the size and type of property, all accounts are required to maintain a reserve amount. This reserve amount is placed in a trust account and is used to cover any charges or unexpected maintenance bills that may arise when there is no rent or not enough rent to cover those charges. The reserve amount normally starts at \$300.

10. Can Titan Property Management pay my bills?

Titan can pay bills associated with your property including maintenance bills, utilities, property taxes, insurance and mortgages. There may be an additional charge to pay mortgages. After we receive rents from the tenants, we pay your mortgage and utility bills before we pay the other bills. The remaining balance will be sent as proceed checks to the owners.

11. How are tenants’ security deposits handled?

Titan Property Management holds the tenants’ security deposits in a trust account until the tenant moves out and the deposit is paid back to tenant or applied to rent, cleaning, or repairs that the tenants are responsible for.

12. What liabilities should I look out for as a landlord and what can I do to protect myself?

As a property owner, you are potentially liable for known and unknown conditions at the property. With a competent insurance agent, your fire/liability insurance policy will adequately cover you in most cases. Your agent can recommend the appropriate insurance limit for your situation. TPM’s management agreement with owners include an indemnity clause, which you will find in most other management companies, that places basic liability

for all acts on the property owner. Insurance companies are aware of this and most will willingly name the property manager as either additional insured or name the manager as an interested party to the policy at **no** extra cost. As a property investor, it is prudent to take the necessary steps to make sure you and the property management company you hired are both protected just in case a lawsuit arises. Keeping an open line of communication and acting promptly and professionally will minimize the probability of a lawsuit.

13. Who will be my point of contact if I have questions or concerns about property management?

A specific account executive and property manager who are specialists in a specific territory and specific property type will be assigned to you. You can make an appointment to meet with them to discuss your account at any time. You will also have the opportunity to request a meeting with a supervisor if the situation arises where you feel you need to speak with someone else concerning property management.

14. How quickly do you contact me when my property comes vacant?

We will send you a letter or email once we receive the 30-Day Notice to Vacate. This letter or a call is to inform you of the Move-Out date and the projected rent for the property. We will then schedule an appointment to complete our Pre-Move-Out Inspection and assess if the home is ready for marketing. When the property is vacated, we will complete our Move-Out Inspection to determine what needs to be done to make it ready for marketing. We will then contact you with our repair list (if any) including the projected costs which may be deducted from the tenant's security deposit. You will have the opportunity to see your property once the tenant moves out and complete any repairs yourself if you prefer.

15. When do you start advertising your vacancies?

We start our marketing process at the time we receive a 30-Day Notice by listing your property on our website under the Coming Soon section of our rental listing. If your property is NOT rent ready, we will advise you to wait until the property is vacant and the necessary repairs are made before you spend any money on other advertising (local newspaper, LoopNet, Rent Clicks, etc.). We try to move new tenants in quickly after the old tenant leaves but according to our experience new tenants don't move in until 2 weeks after the prior tenants are scheduled to vacate due to unexpected situations.

16. How do you advertise for prospective tenants?

Depending on which program you choose, we can have your property posted on our website, place our distinctive "For Rent" lawn sign giving prospective tenants who drive by our contact number and access to our website to view the details of the properties online. Approximately 1 out of 4 applicants come to us from our distinctive "For Rent" sign at the property. We can also advertise in local newspapers and online rental databases which will give you the needed exposure to fill vacancies as quickly as possible. One of the advantages of advertising with Titan Property Management is that we have annual contracts with the newspapers and online rental databases for volume discounts and save you a lot more than if

you advertised yourself. Our experience in advertising can help expose your properties and rent it up quickly.

17. How do you screen prospective tenants?

We require a detailed written application from each adult and photo identification. We will process the application by completing a rental and employment/income verification. We don't just accept what's written on the application for granted, our staff is trained to personally call the employer to ask for written verification of employment and income. Our staff is also trained to personally call past landlords to verify tenant history information on the application is accurate. In addition to that, we will order a credit and eviction reports which give us an accurate accounting of the tenant's financial capabilities, payment history, and eviction history. In order to protect our owners, we make sure that everything on the application is verified **before** we accept them. A common problem we see is that owners may get too busy to do reference checks and personally call for verification of income or tenancy and will get tempted in renting to someone that has marginal qualifications that will not take care of the property and will cost the owners a lot more in the end. This is not to say that our guidelines are so strict that we will scare all prospective tenants away; just the bad ones who don't belong in your property. Surprisingly, the strict guidelines allow us to focus our time on qualified prospective tenants and rent the property out much quicker than dealing with unqualified prospects that can't seem to get their act together.

18. Who pays for the application fee to process the prospective tenants?

The prospective tenant pays for the application fee.

19. Do you do periodic inspections on my property?

As a complimentary service, TPM will conduct periodic exterior inspections on your property when a tenant is currently occupying the property. When it is vacant, we will usually show your property to prospective tenants 2-3 times per week. As an optional service you may order Titan's **Preventive Maintenance Inspection (PMI)** annually. This highly recommended service gives us the opportunity to inspect the exterior and interior of your property. Titan's PMI usually takes about 1-2 hours and we will provide you with written reports and pictures of the inside and outside of your property. We will also provide you a list of recommended repairs for the properties. An annual inspection is highly recommended because it will allow you to catch and repair small preventive maintenance issues before they become major costly repairs that could cost you thousands. Please ask your manager for more details.

20. Who pays for the maintenance and repairs for my property?

Our maintenance crew is trained to identify problems caused by normal wear and tear (the owner pays) versus damage caused by tenant abuse or neglect (the tenant pays).

21. What happens if you have to evict my tenant?

There are occasions (very few), where we will have to initiate eviction proceedings. All of our evictions are handled through a California licensed attorney specializing in tenant/landlord law. There are many nightmare stories about evictions taking up to several months before the owner can regain possession of their property. Be assured this is usually not the case. Most of our evictions are "uncontested", meaning the tenant does not file an answer with the court, and possession is obtained in approximately four weeks. If a tenant does file and answer with the court, a hearing date will be set, and the tenant essentially has "bought themselves" two more weeks of possession. In most cases the eviction process does not take more than 4-6 weeks from initialization. Stringent tenant screening on our behalf keeps evictions to a minimum with our company. You as the owner will be responsible for the cost of the attorney, which is approximately \$700 for the entire eviction unless you enroll in TPM's Eviction Protection Plan. If you enroll in our EPP for \$10/month/unit, it will take 70 months or 5 years and 10 months to make up the cost of just 1 eviction. So if you perform 1 eviction in the next 5 years and 9 months, you will be saving yourself money.

22. What is Titan's Eviction Protection Plan (EPP)?

This is an optional service offered to owners to back up our claim that we perform our due diligence to pick good tenants for your property. Titan's **Eviction Protection Plan (EPP)** is **only** \$10.00 a month per unit. Should an eviction occur, the plan will cover the costs to serve the 3-Day Notice, Summons and Complaint, all filing fees and all attorney fees. The program does not cover the cost of a jury trial, but most evictions RARELY involve a jury. If Titan Property Management is placing a new tenant in your property and you choose to participate in Titan's **Eviction Protection Plan**, your eviction coverage goes into effect immediately. If you have an existing resident and you sign up for the eviction coverage, the plan goes into effect after six months of management fees have been paid. This is a great service that will provide you peace of mind for as little as \$10 per month per unit to avoid costly legal expenses in excess of \$700. If you enroll in Titan's EPP for \$10/month/unit, it will take 70 months or 5 years and 10 months to make up the cost of just 1 eviction. So if you perform 1 eviction in the next 5 years and 9 months, you will be saving yourself money. Please ask your property manager about enrolling in Titan's EPP for peace of mind.

23. Will I receive monthly statements?

Yes. Not only will you receive computerized monthly statements, but you will receive a statement detailing activity at your property. You will also receive copies of all bills and invoices paid on your account. You will soon be able to view your account online with your own personal account.

24. When can I expect my report and check to be sent to me every month?

We disburse owner's funds along with a detailed report by the 10th of every month. If you would like, we can deposit your check directly into your bank account and forward your report to you. The only reason you would not receive funds at this time would be if your tenant has failed to pay rent. We will contact you and let you know of the pending status of your tenant's payment. Owners of larger multi-unit properties may receive multiple reports during the month as lagging rents are collected and accounted for.

25. Why should I hire Titan Property Management vs. other property management companies?

One of the unique benefits in hiring TPM is that you get a management company that actually owns and operates similar types of properties we manage. Therefore, we understand first hand what it takes to manage your property to maximize your cash flow.

We have strategically position Titan to serve investors who are looking for a company that has experience to handle the different types of properties. Usually, the big brokerages like CB Richard Ellis, Collier's International, Grubb & Ellis do not want to manage any other types of buildings except Class "A" properties that are 35,000 square feet and larger, and where there is very minimal management involved. This leaves a large number of investors who have nice, smaller properties underserved. Most of the time, investors with the smaller buildings have to resort to hiring property management companies who specialize in residential properties but does not have the necessary tools to manage the larger properties. What makes Titan Property Management unique is that we can provide property management to investors with small properties as well as class "A" properties that are even easier to manage.

Titan Property Management is the first management company to allow employees the opportunity to become partner and own a share of the portfolio they manage so they take personal responsibility and pride in providing excellent service. Property owners will not only get a specific manager dedicated to manage your property, you will have access to a team of managers with a wide range of expertise and experience willing and ready to be *at your service* so you don't have to go anywhere else.

At TPM, our only business is providing excellent property management services to relieve owners of the day-to-day details so you can relax and tend to more important business. TPM's dedication to only property management allows us to focus on taking care of your property and not be distracted by the sales market. With our experienced management team, we can provide great services at very competitive prices so you don't need to shop around.

26. How much are your management fees?

Our management fees depend on the type of property and complexity of your property. Industry standards for management fees may range from 5%-10% of gross income. For smaller commercial properties and residential income properties, we may recommend a flat fee so that you can figure out your monthly expenses. At TPM, we take a comprehensive look at your property and situation, and recommend the level of service so that having Titan on board will increase the value and cash flow of the property while relieving you of the management burdens so you can focus on other important issues.

Below are “typical” management fees:

Types of Properties	Monthly Management Fee*
Commercial Properties (strip centers, retail, office, mix-use, industrial)	5-10% of gross or monthly minimum of \$525
Apartment Complexes (all sizes; with and without on-site managers)	1 to 4 units = 10% 5 to 15 units = 8% 16 to 24 units = 6% Over 24 units = 5%
Mobile Home Parks (Manufactured Housing Communities, Mobile Home Parks, Trailer Parks)	5-10% of gross or monthly minimum of \$525
Owner Associations (commercial owner associations, homeowner associations, condo associations)	per door or monthly minimum of \$525
Residential Income (single family homes, duplexes, fourplexes, condos)	\$75/door

**Management Fees vary depending upon the size and location, and services requested by investor, but generally fall into this range. Investors with multiple properties in multiple locations and for larger properties may qualify for discounts.*

Check with your accountant, but our management fees are tax-deductible expenses that will help improve your bottom line. **With TPM on board, efficient property management doesn't cost, it pays!**

27. How do I get started?

You can get started by contacting us by e-mail, fax, or call us with your property information. One of our knowledgeable property managers will contact you for a FREE, no-obligation consultation.

28. Do you have reference letters or testimonials from owners about your services?

Yes. We have testimonial letters from owners and tenants about our services. Please click here to read the letters. We can also furnish references upon request so you may inquire about past and current customers' response to our management services.